

House Bill 500

By: Representative Martin of the 47th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-2 of the Official Code of Georgia Annotated, relating to
2 definitions applicable to sales and use taxation, so as to remove the limitation of taxability
3 to local exchange telephone service and thereby provide for taxability of all telephone
4 service; to change definitions; to provide for related matters; to repeal conflicting laws; and
5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-8-2 of the Official Code of Georgia Annotated, relating to definitions
9 applicable to sales and use taxation, is amended by revising paragraph (4) as follows:

10 "(4) 'Gross sales' means the:

11 (A) Sum total of all retail sales of tangible personal property or services without any
12 deduction of any kind other than as provided in this article; or

13 (B)(i) ~~Charges, when applied to sales of telephone service, made for local exchange~~
14 ~~telephone service, except local messages which are paid for by inserting coins in coin~~
15 ~~operated telephones, but including the total amount of the guaranteed charge for~~
16 ~~semipublic coin box telephone services, except as otherwise provided in division (ii)~~
17 ~~of this subparagraph.~~

18 ~~(ii)(I) If a telephone service is not subject to the tax levied by this chapter, and if~~
19 ~~the amount charged for such telephone service is aggregated with and not separately~~
20 ~~stated from the amount paid or charged for any service that is subject to such tax,~~
21 ~~then the nontaxable telephone service shall be treated as being subject to such tax~~
22 ~~unless the telephone service provider can reasonably identify the amount paid or~~
23 ~~charged for the telephone service not subject to such tax from its books and records~~
24 ~~kept in the regular course of business.~~

25 ~~(II) If a telephone service is not subject to the tax levied by this chapter, a customer~~
26 ~~may not rely upon the nontaxability of such telephone service unless the telephone~~

~~service provider separately states the amount charged for such nontaxable telephone service or the telephone service provider elects, after receiving a written request from the customer in the form required by the provider, to provide verifiable data based upon the provider's books and records that are kept in the regular course of business that reasonably identifies the amount charged for such nontaxable telephone service."~~

SECTION 2.

Said Code section is further amended by revising division (6)(B)(i) as follows:

"(B)(i) Except as otherwise provided in division (ii) of this subparagraph, the sale of natural or artificial gas, oil, electricity, solid fuel, transportation, ~~local~~ telephone services, beverages, and tobacco products, when made to any purchaser for purposes other than resale."

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.